
ALPI Air & Sea A/S

Fastrupdalen 2, DK-7400 Herning

Annual Report for 2022

CVR No. 25 86 96 56

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 16/5 2023

Morten Høgsberg
Nielsen
Chairman of the
general meeting



Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's statement	1
Independent Auditor's report	2
Management's Review	
Company information	4
Financial Highlights	5
Management's review	6
Financial Statements	
Income statement 1 January - 31 December	8
Balance sheet 31 December	9
Statement of changes in equity	11
Notes to the Financial Statements	12

Management's statement

The Executive Board and Board of Directors have today considered and adopted the Financial Statements of ALPI Air & Sea A/S for the financial year 1 January - 31 December 2022.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2022 of the Company and of the results of the Company operations for 2022.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Financial Statements be adopted at the Annual General Meeting.

Herning, 16 May 2023

Executive Board

Morten Høgsberg Nielsen
Manager

Board of Directors

Sandro Pitigliani
Chairman

Morten Høgsberg Nielsen

Alessio Albini

Independent Auditor's report

To the shareholders of ALPI Air & Sea A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of ALPI Air & Sea A/S for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Independent Auditor's report

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Trekantområdet, 16 May 2023

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Henrik Forthoft Lind

State Authorised Public Accountant

mne34169

Heidi Bonde

State Authorised Public Accountant

mne42815

Company information

The Company	ALPI Air & Sea A/S Fastrupdalen 2 DK-7400 Herning CVR No: 25 86 96 56 Financial period: 1 January - 31 December Incorporated: 9 January 2001 Municipality of reg. office: Herning
Board of Directors	Sandro Pitigliani, chairman Morten Høgsberg Nielsen Alessio Albini
Executive board	Morten Høgsberg Nielsen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Herredsvej 32 7100 Vejle

Financial Highlights

Seen over a 5-year period, the development of the Company is described by the following financial highlights:

	2022	2021	2020	2019	2018
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Profit/loss					
Gross profit/loss	71,489	58,734	38,711	33,591	30,579
Profit/loss before financial income and expenses	28,703	20,994	7,296	8,019	7,921
Profit/loss of financial income and expenses	3,016	210	-1,124	-185	-4
Net profit/loss	24,980	16,766	4,783	6,071	6,155
Balance sheet					
Balance sheet total	112,509	128,385	72,141	60,522	43,753
Investment in property, plant and equipment	976	806	987	1,449	708
Equity	60,471	50,611	33,556	28,891	22,820
Number of employees	72	64	58	46	39
Ratios					
Return on assets	25.5%	16.4%	10.1%	13.2%	18.1%
Solvency ratio	53.7%	39.4%	46.5%	47.7%	52.2%
Return on equity	45.0%	39.8%	15.3%	23.5%	31.2%

Management's review

Key activities

The company is a forwarding company specialised within sea- and air transport.

Development in the year

The income statement of the Company for 2022 shows a profit of TDKK 24,980, and at 31 December 2022 the balance sheet of the Company shows positive equity of TDKK 60,471.

The past year and follow-up on development expectations from last year

The result in 2022 was 50% better than expected. This was primarily due to unique market situation within the transport & logistic sector.

The demand vs. the supply was the main driver to increased profitability in 2022.

Targets and expectations for the year ahead

The management is expecting a result for 2023 to be less than the current year. There is a decrease in the demand for transportation in our core markets to/from Asia and to/from USA.

But the continued challenges due to the unstable financial and political situation, means that our customers are experiencing an uncertain market for 2023. These circumstances are expected to have a negative impact on our financial result compared to the 2022 performance of estimated 50%.

External environment

The transport industry is one of the largest to emit CO₂. Therefore, we acknowledge, that we have a key role in reducing Co₂ emission. In order to apply to the Danish government's requirement of reduced CO₂ emission by 2030, we have to invest in transport solutions with no or less CO₂ emissions.

We have continued to work on our initiative ALPI GO GREEN and we have defined selected UN sustainable development goals and created baselines based on measured usages. Further we have established targets for 2025 aligned with 2030 ambitions.

The ALPI GO GREEN initiative aims to:

- gaining knowledge and render transport options with a smaller carbon footprint visible - thus being able to inform and guide our customers
- increasing focus on a greener and more sustainable behavior at ALPI, internally and involving the entire organization
- influencing our collaborative partners to increase their focus on measures to reduce carbon footprint
- in collaboration with Aarhus University, we are developing an ALPI CO₂-calculator. The carbon footprint is stated on all invoices on road transports. For air and sea shipments the carbon footprint is submitted to customers upon request.
- implement measures reducing the carbon footprint from road, sea, air & rail transports.
- implement measures reducing the carbon footprint at all ALPI locations in Denmark.

The overall purpose is to make sure that ALPI and its subcontractors focus on the Co₂ emission during transportation and as a company.

ALPI Air & Sea A/S has already taken initiatives to reduce the CO₂ emission internally by various investments in green solutions and equipment across our offices and terminals. Examples:

- Development of the "CO₂ calculator" enabling ALPI to report the CO₂ emission to our customers on all carried out transports.
- Implementing solutions in our warehouses and offices, causing all our locations in Denmark to be CO₂ neutral.

The results are in line with the expectations and goals setup by the management for 2022.

Management's review

Intellectual capital resources

Company staff have great knowledge of the transport and logistics market, which are the company's core activities. Employees' detailed knowledge of forwarding and transport services is vital for the company's market position and future earnings.

Income statement 1 January - 31 December

	Note	2022	2021
		TDKK	TDKK
Gross profit		71,489	58,734
Staff expenses	1	-41,726	-36,791
Depreciation and impairment losses of property, plant and equipment		-1,060	-949
Profit/loss before financial income and expenses		28,703	20,994
Income from investments in subsidiaries		1,248	1,194
Financial income	2	1,836	83
Financial expenses		-68	-1,067
Profit/loss before tax		31,719	21,204
Tax on profit/loss for the year	3	-6,739	-4,438
Net profit/loss for the year	4	24,980	16,766

Balance sheet 31 December

Assets

	Note	2022 TDKK	2021 TDKK
Other fixtures and fittings, tools and equipment		1,916	2,000
Property, plant and equipment	5	1,916	2,000
Investments in subsidiaries	6	3,629	3,526
Fixed asset investments		3,629	3,526
Fixed assets		5,545	5,526
Trade receivables		46,858	62,306
Contract work in progress	7	17,197	40,829
Receivables from group enterprises		17,355	13,668
Other receivables		3,961	1,397
Prepayments	8	1,177	724
Receivables		86,548	118,924
Cash at bank and in hand		20,416	3,935
Current assets		106,964	122,859
Assets		112,509	128,385

Balance sheet 31 December

Liabilities and equity

	Note	2022 TDKK	2021 TDKK
Share capital		500	500
Reserve for net revaluation under the equity method		1,391	1,289
Retained earnings		38,580	33,822
Proposed dividend for the year		20,000	15,000
Equity		60,471	50,611
Provision for deferred tax	9	126	114
Provisions		126	114
Credit institutions		55	25
Trade payables		35,561	55,290
Payables to group enterprises		3,260	10,964
Corporation tax		6,727	4,448
Other payables		6,309	6,933
Short-term debt		51,912	77,660
Debt		51,912	77,660
Liabilities and equity		112,509	128,385
Contingent assets, liabilities and other financial obligations	10		
Related parties	11		
Subsequent events	12		
Accounting Policies	13		

Statement of changes in equity

	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Proposed dividend for the year	Total
	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 1 January	500	1,289	33,822	15,000	50,611
Exchange adjustments	0	-120	0	0	-120
Ordinary dividend paid	0	0	0	-15,000	-15,000
Net profit/loss for the year	0	222	4,758	20,000	24,980
Equity at 31 December	500	1,391	38,580	20,000	60,471

Notes to the Financial Statements

	<u>2022</u>	<u>2021</u>
	TDKK	TDKK
1. Staff Expenses		
Wages and salaries	38,513	34,249
Pensions	2,584	2,080
Other social security expenses	629	462
	<u>41,726</u>	<u>36,791</u>

Remuneration to the Executive Board has not been disclosed in accordance with section 98 B(3) of the Danish Financial Statements Act.

Average number of employees	<u>72</u>	<u>64</u>
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	<u>2022</u>	<u>2021</u>
	TDKK	TDKK
2. Financial income		
Interest received from group enterprises	293	83
Other financial income	1,543	0
	<u>1,836</u>	<u>83</u>

	<u>2022</u>	<u>2021</u>
	TDKK	TDKK
3. Income tax expense		
Current tax for the year	6,727	4,448
Deferred tax for the year	12	-10
	<u>6,739</u>	<u>4,438</u>

Notes to the Financial Statements

	<u>2022</u>	<u>2021</u>
	TDKK	TDKK
4. Profit allocation		
Proposed dividend for the year	20,000	15,000
Reserve for net revaluation under the equity method	222	1,118
Retained earnings	4,758	648
	<u>24,980</u>	<u>16,766</u>

5. Property, plant and equipment

	<u>Other fixtures and fittings, tools and equipment</u>
	TDKK
Cost at 1 January	4,639
Additions for the year	<u>976</u>
Cost at 31 December	<u>5,615</u>
Impairment losses and depreciation at 1 January	2,639
Depreciation for the year	<u>1,060</u>
Impairment losses and depreciation at 31 December	<u>3,699</u>
Carrying amount at 31 December	<u>1,916</u>

Notes to the Financial Statements

	2022	2021
	TDKK	TDKK
6. Investments in subsidiaries		
Cost at 1 January	2,238	2,238
Cost at 31 December	2,238	2,238
Value adjustments at 1 January	1,288	-195
Exchange adjustment	-120	289
Net profit/loss for the year	1,248	1,194
Dividend to the Parent Company	-1,025	0
Value adjustments at 31 December	1,391	1,288
Carrying amount at 31 December	3,629	3,526

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Ownership
ALPI International Logistics (Shanghai) Ltd.	China	51%

	2022	2021
	TDKK	TDKK

7. Contract work in progress

Contract work in progress is recognised in the balance sheet as follows:

Contract work in progress recognised in assets	17,197	40,829
	17,197	40,829

8. Prepayments

Prepayments comprise prepaid expenses concerning rent, subscriptions ect.

Notes to the Financial Statements

	2022	2021
	TDKK	TDKK
9. Provision for deferred tax		
Deferred tax liabilities at 1 January	114	125
Amounts recognised in the income statement for the year	12	-10
Amounts recognised in equity for the year	0	-1
Deferred tax liabilities at 31 December	126	114

	2022	2021
	TDKK	TDKK
10. Contingent assets, liabilities and other financial obligations		
Rental and lease obligations		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	586	751
Between 1 and 5 years	361	537
	947	1,288

Rental obligations, non-cancellation period up to 6 months.	1,954	1,814
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Other contingent liabilities

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of ALPI Danmark A/S, which is the management company of the joint taxation purposes. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

The company has other contingent liabilities for TDKK 270.

Notes to the Financial Statements

11. Related parties and disclosure of consolidated financial statements

	<u>Basis</u>
Controlling interest	
ALPI Danmark A/S, Fastrupdalen 2, 7400 Herning, Denmark	Majority shareholder, direct
Albini & Pitigliani SPA, Viale G. Marconi 46, 59100 Prato, Italy	Majority shareholder

Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group:

<u>Name</u>	<u>Place of registered office</u>
Albini & Pitigliani SPA	Viale G. Marconi 46, 59100 Prato, Italy
ALPI Danmark A/S	Fastrupdalen 2, 7400 Herning

The Group Annual Report of Albini & Pitigliani SPA may be obtained at the following address:

www.registroimprese.it/en

The Group Annual Report of ALPI Danmark A/S may be obtained at the following address:

www.cvr.dk

12. Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Notes to the Financial Statements

13. Accounting policies

The Annual Report of ALPI Air & Sea A/S for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2022 are presented in TDKK.

Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements for 2022 of ALPI Danmark A/S, the Company has not prepared consolidated financial statements.

Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of ALPI Danmark A/S, the Company has not prepared a cash flow statement.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Leases

All leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Notes to the Financial Statements

Income statement

Net sales

Revenue from the delivery of services is recognised in the income statement to the extent that the services in question have been performed and the revenue can be measured reliably and is expected to be received.

Shipping services are typically characterised by a short execution period. Income is recognised over time as work is performed, since control of the work is transferred to the customer on a continuous basis.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Cost of goods sold

Expenses for consumables include costs incurred to achieve net revenue for the year. The costs include settlement for hauliers, etc. as well as other direct costs.

Other external expenses

Other external expenses comprise expenses for premises, sales and distribution as well as the Company's administration, etc.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income, cost of goods sold and other external expenses.

Staff expenses

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise depreciation and impairment of property, plant and equipment.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of property, plant and equipment.

Income from investments in subsidiaries

The item "Income from investments in subsidiaries" in the income statement includes the proportionate share of the profit for the year.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Notes to the Financial Statements

The Company is jointly taxed with the Danish Group Company. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Interest expenses on loans contracted directly for financing the construction of property, plant and equipment are recognised in cost over the construction period.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3-5 years
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The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by depreciation.

If so, the asset is written down to its lower recoverable amount.

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable, and in respect of trade receivables, a general provision is also made based on the Company's experience from previous years.

Notes to the Financial Statements

Contract work in progress

Work in progress comprises in-progress shipping activities and includes services that have yet to be settled with customers or suppliers at 31 December. Revenue which has not been settled and vendor invoices which have yet to be received are estimated and recognised according to the recognition criteria for a sale transaction.

Prepayments

Prepayments comprise prepaid expenses concerning rent, subscriptions etc.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate Dividend item.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Loans, such as loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other debts are measured at amortised cost, substantially corresponding to nominal value.

Financial Highlights

Explanation of financial ratios

Return on assets	$\text{Profit before financials} \times 100 / \text{Total assets at year end}$
Solvency ratio	$\text{Equity at year end} \times 100 / \text{Total assets at year end}$
Return on equity	$\text{Net profit for the year} \times 100 / \text{Average equity}$